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December 28, 2001

Honorable Philip N. Asprodites Commissioner of Conservation State of Louisiana Post Office Box 94275 Baton Rouge, Louisiana 70804-9275

> RE: HEARING APPLICATION

HOSS RA SU2 and CV RA SU2

Elm Grove Field

Bossier Parish, Louisiana Our File No. 430071.0013

Dear Sir:

On behalf of QUESTAR EXPLORATION AND PRODUCTION COMPANY, application is hereby made for a public hearing to receive evidence concerning the following matters relating to the Cotton Valley Formation, Reservoir A, and the Hosston Formation, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana:

- 1. To authorize the downhole combination of production from the Cotton Valley Formation, Reservoir A, and the Hosston Formation, Reservoir A, in the wellbore of any well drilled on CV RA SU2 and HOSS RA SU2, in the Elm Grove Field, Bossier Parish, Louisiana.
- 2. To explicitly find that said downhole combination of production is in the interest of conservation, will prevent waste and will maximize the efficient and economic recovery of gas and condensate from such formations and reservoirs.
- 3. To consider such other matters as may be pertinent.

Commissioner of Conservation December 28, 2001 Page 2

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B Series.

The Hosston Formation, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana, was fully defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached and a copy of this application is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons required by the Rules of Procedure. This Applicant will also arrange for mailing, posting and publication of the legal notice of this hearing in accordance with the Rules of Procedure.

A check in the amount of \$1,400.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation, and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

Wm. Timothy Allen III

Attorneys for Questar Exploration and Production Company

WTAIII/bp

cc: Mr. James C. Broussard, District

Manager, Office of Conservation

Shreveport, Louisiana

cc: Interested Owners, Represented Parties

and Interested Parties